

Message Text

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62

ORIGIN COME-00

INFO OCT-01 EUR-25 ADP-00 AID-20 CIAE-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

LAB-06 SIL-01 OMB-01 /099 R

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DRAFTED BY COM BIC 228 NNEGRETTI

APPROVED BY EB OCA REP LHPOMEROY

COM BIC 228 JAMORHOUSE RMD EUR WE CKJOHNSON

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FM SECSTATE WASHDC

TO AMCONSUL MILAN

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EO 11652 NA

TAGS BEXP IT

SUBJ COOPERATIVE FINANCING FACILITIES EXIM BANK

REF TATGE/LINDSTROM LETTER 7/27/73

EXIM AGREES WITH AND THANKS POST FOR COMMENTS AND REDRAFT,
HOWEVER EXIM HAS PROVIDED NEW TEXT WHICH INCORPORATES POST
COMMENTS AND EXACT DETAILS OF CFF PROGRAM.

TEXT FOLLOWS:

EXIMBANK IS AN INDEPENDENT US GOVERNMENT AGENCY WHICH
WORKS DIRECTLY WITH AMERICAN SUPPLIERS AND PRIVATE
INSTITUTIONS TO FINANCE US SALES ABROAD. UNDER ITS COOPERATIVE
FINANCING FACILITY (CFF) EXIMBANK HELPS MAKE CREDIT AVAILABLE
TO PURCHASERS OF US EQUIPMENT AND RELATED SERVICES THROUGH
THE COOPERATING BANKS IN ITALY, LISTED BELOW. BY MAKING THIS
PROGRAM AVAILABLE TO THESE BANKS, EXIMBANK HOPES THAT BUYERS
OF US EQUIPMENT AND SERVICES WILL HAVE EASIER ACCESS TO
CREDIT, AND THUS WILL BE ABLE TO TAKE GREATER ADVANTAGE OF
EFFICIENT AND DURABLE US EQUIPMENT AND ADVANCED US

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TECHNOLOGY. WHILE THE PROGRAM IS PRIMARILY DESIGNED TO

SUPPORT SMALL AND MEDIUM SIZED TRANSACTION, EXIMBANK SETS
NO LIMITS, UPPER OR LOWER, AS TO THE SIZE OF ELIGIBLE TRANS-
ACTIONS THAT CAN BE ACCOMMODATED UNDER THE CFF.

A VISITOR TO THIS EXHIBITION CAN BENEFIT FROM THE CFF. THE
CONCEPT IS SIMPLE TO UNDERSTAND. THE PURCHASER PAYS A MINIMUM
10 PERCENT CASH DOWN PAYMENT TO THE US SUPPLIER. THE COOPERATING
ITALIAN BANKS THEN EXTEND LOANS TO THE PURCHASERS FOR THE
REMAINING 90 PERCENT OF THE COST. EXIMBANK PROVIDES THE FUNDS
TO THE BANKS FOR 50 PERCENT OF THE VALUE OF EACH LOAN, AND THE
BANKS PROVIDE THE OTHER 50 PERCENT FROM THEIR OWN RESOURCES
AND AT THEIR INTEREST RATES. THE EXIMBANK FUNDS ARE CURRENTLY
LOANED TO THE COOPERATING BANKS AT AN INTEREST RATE OF 6 PERCENT
TO WHIH THE BANKS MAY ADD A MAXIMUM INTEREST OF 2 1/2 PERCENT.

THE EXHIBITORS AT THIS EXHIBITION HAVE FURTHER INFORMATION ON
CFF LOANS. AS YOU DISCUSS THEIR PRODUCTS, ASK THEM ABOUT
CFF. (LIST OF BANKS)
ROGERS

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